



FOR IMMEDIATE RELEASE:

**CALIFORNIA-PRODUCED SUGARCANE ETHANOL
TO BE RESPONSIBLE FOR LESS GREENHOUSE GAS EMISSIONS
THAN GASOLINE AND BRAZILIAN ETHANOL**

For Immediate Release:

BRAWLEY, CA – February 20, 2009 – California Ethanol & Power, LLC (CE&P) today released a technical analysis of CE&P’s prospective sugarcane-derived ethanol using the California-modified version of Argonne National Laboratory’s latest Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation (GREET) model. The analysis indicates that the CE&P fuel pathway, including electricity as a co-product, would emit 95.2% fewer greenhouse gases (GHG) on a full fuel cycle basis than gasoline, and 77-83% less than Brazilian ethanol, consumed in California.

The GREET model can be used to calculate the GHG impact of a variety of petroleum and bio-fuel options, and the California-modified version has been used to calculate GHG emissions in support of California’s Low Carbon Fuel Standard (LCFS). The GHG emissions include CO₂ from fossil fuels, as well as CH₄ and N₂O generated during the combustion process.

The analysis was conducted by Life Cycle Associates, LLC (LCA), which is currently supporting the California Air Resources Board (CARB) through the development of LCFS. This effort is supported by the California Energy Commission (CEC), and the purpose is to determine inputs to fuel cycle analysis and calculate results for fuels consumed in California. The analysis includes factors such as land-use conversion, water consumption and sustainability, with the goal of integrating these factors into the fuel cycle analysis.

“LCA has conducted nearly all of the fuel pathway analyses for the Air Resources Board and delivered fuel reports, a configured CA-GREET model and a User Interface Tool,” explains Stefan Unnasch, LCA founder. “For example, LCA conducted a detailed petroleum analysis to account for thermal enhanced oil recovery in California and configured the California-modified GREET model to calculate regional results with California-specific crude inputs.”

“CE&P is pleased that the report findings reflect significantly less GHG emissions attributable to its California-produced sugarcane-derived ethanol than not only gasoline but other biofuels, including sugarcane ethanol imported from Brazil. We look forward to becoming a leading provider of domestically produced ethanol to the Southwest United States, and in particular to the California marketplace, using sugarcane, the right renewable resource,” says O. Wayne Mitchell, CE&P Executive Vice President Technologies and Operations. “Our current and future projects will stimulate the California economy by bringing a sustainable and reliable crop to local agribusinesses, as well as creating numerous green jobs for the community. CE&P’s sugarcane technology will provide sustainable and renewable energy in the forms of ethanol, electricity, and other valuable co-products while not depleting natural resources.”

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- California Ethanol & Power, LLC (www.CaliforniaEthanolPower.com) intends to develop, project finance, install, own and operate sugarcane-to-ethanol-and-electricity plants starting with five state-of-the-art facilities in California's Imperial Valley, one of the best places in the world to grow sugarcane. Utilizing innovative renewable energy technologies to ensure a production process that is efficient and environmentally respectful, CE&P will convert sugarcane into fuel-grade ethanol and electricity and other valuable co-products such as industrial grade carbon dioxide. For more information, contact VP Marketing and Public/Investor Relations Camille Soriano at csoriano@CaliforniaEthanolPower.com.
- Life Cycle Associates, LLC (www.LifeCycleAssociates.com), is a San Francisco Bay Area consulting firm that analyzes the life cycle energy and emissions of fuels. They have over 40 years of cumulative experience in alternative fuels, fuel production processes and delivery logistics, and environmental impacts. The team develops models of well-to-wheel energy impacts and emissions including criteria pollutants, toxics, greenhouse gases, and global energy inputs. Their work has contributed to many aspects of California energy policy and they work closely with members of air boards and state commissions regularly. For more information, contact Brent Riffel at Riffel@LifeCycleAassociates.com.

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